

RESOLUTION 2020-218

RESOLUTION OF THE TOWNSHIP OF CHATHAM AMENDING RESOLUTION 2020-211 REGARDING THE AUDIT OF STREET LIGHT ACCOUNTS TO ENSURE ACCURACY AND PROPER PAYMENT

WHEREAS, on September 24, 2020, the Township Committee unanimously adopted Resolution 2020-211 which authorized the audit of Street Light accounts; and,

WHEREAS, the Township of Chatham is a member of the Texas Interlocal Purchasing System (TIPS); and,

WHEREAS, if there is a reduction in future costs for street lighting resulting from the audit and analysis efforts of Troy & Banks, TIPS members pay a fee of 33% of the amount saved each month for a period of 24 months; and,

WHEREAS, non-TIPS members pay a fee of 33% of the amount saved each month for a period of 24 months; and,

WHEREAS, the Township of Chatham is entitled to an additional savings of 17% (50%-33%=17%); and,

WHEREAS, all other terms and conditions of Resolution 2020-211 remain the same and are listed in this resolution; and,

WHEREAS, the Township of Chatham budgets over \$50,000.00 per year to pay for street lighting; and

WHEREAS, the Township of Chatham pays a different rate for each street light depending on the type of bulb installed in the fixture; and

WHEREAS, over time, the rates and software used to track each account and size of the light fixture change which could affect billing for the Township's street lighting accounts; and

WHEREAS, the Township of Chatham has not conducted a specialized audit of its street lighting accounts to ensure that there are no billing errors or costs in excess of those permitted so that its accounts are charged the correct fee and that the Township is paying the proper rate; and

WHEREAS, this specialty type of audit, which includes cost recovery if appropriate, requires a level of knowledge and experience that few audit firms have; and

WHEREAS, the firm of Troy & Banks 2216 Kensington Avenue Buffalo, New York 14226 have the experience and resources required to complete this type of audit; and

WHEREAS, if Troy & Banks finds overcharges, billing errors, or costs in excess of those permitted by applicable contracts, tariffs, statutes, rules and regulations, Troy and Banks will be paid 50% of all of the monies refunded or credited to the Township of Chatham; and,

WHEREAS, the Township of Chatham will only pay Troy & Banks when a credit has been posted to an invoice or a refund check has been received; and,

WHEREAS, if there is a reduction in future costs for street lighting resulting from the audit and analysis efforts of Troy & Banks, they shall receive a fee of **33%** of the amount saved each month for a period of 24 months; and,

WHEREAS, the Township of Chatham like several other New Jersey municipalities is a member of the Texas Interlocal Purchasing System (TIPS); and,

WHEREAS, Troy & Banks is an approved TIPS vendor and will provide the services outlined under Contract Number 200601 that is valid through August 27, 2023: and

WHEREAS, The State of New Jersey Local Finance Notice (LFN) 2012-10 dated May 14, 2012 has been reviewed by the Township Administrator to verify that the documents required I Section E. Legal Requirements to Use a National Cooperative Contract are on file.

NOW THEREFORE BE IT RESOLVED, that the Township of Chatham authorizes Troy & Banks to conduct an audit of the Township's street lighting accounts as outlined in this resolution; and

BE IT FURTHER RESOLVED that this contract is awarded under the terms and conditions of the TIPS national contract.

Adopted: October 8, 2020

TOWNSHIP OF CHATHAM IN
THE COUNTY OF MORRIS

Attest:

Gregory J. LaConte, Clerk

By: _____
Michael J. Kelly, Mayor